Chapter 11

Electronic Word of Mouth and Consumer Generated Content: From Concept to Application

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ABSTRACT

With the Internet, even ordinary Web users can conveniently create and disseminate media content. The notion of User-Generated Content (UGC) or Consumer-Generated Content (CGC) captures the user-as-producer feature and refers to content that is not generated or published by professionals on the Internet, unlike traditional media. An important type of online advertising that makes use of CGC is eWOM (electronic word-of-mouth) advertising. Defined in terms of situations where consumers refer products or services to other consumers on the Internet, eWOM is closely related to CGC and can be applied to many online forums for UGC and CGC. With this in mind, this chapter seeks to define and categorize eWOM based on different online platforms of CGC, review existing research in eWOM, and, finally, extend the use of eWOM to health promotion by examining characteristics of eWOM in an online breast cancer bulletin board.

INTRODUCTION

Web 2.0 and other online applications have transformed mass communication from a one-way to a two-way communication system. With the Internet, even ordinary Web users can conveniently create and disseminate media content. The notion of User-Generated Content (UGC), or Consumer-Generated Content (CGC), captures the user-as-producer feature. Since UGC and CGC are more trusted by consumers - and more persuasive - than traditional advertisements (Bickar & Schindler, 2001; Goldsmith & Horowitz, 2006; Okazaki, 2008), marketers are trying to become part of the communication process and engage consumers by making use of CGC to accomplish advertising goals. For example, online retailers like Amazon.com and Walmart.com invite consumers to write product reviews, whether positive or negative, to assist other consumers with buying decisions.
Ebay.com builds its business on a reputation ranking system based on buyers’ and sellers’ comments. To engage consumers, Oscar advertiser Cottonelle to toilet paper asked Oscar viewers to vote and chat online about whether they install their rolls “under or over” (Horovitz, 2010). Many companies upload their TV commercials to YouTube.com, provide a Facebook fan page, or subscribe to a Twitter account, all of which are driven by peer-to-peer communications. These examples suggest that CGC can occur in a variety of online formats (e.g., a corporate website versus a Facebook fan page), and can consist of a multitude of features or characteristics.

Closely related to the application of CGC in the digital advertising “mix” is the concept of eWOM. Despite the popularity of this emerging tool, few studies have systematically examined the literature on eWOM via CGC. The definitions of eWOM often overlap to include viral advertising, eWOM, and CGC (Hennig-Thurau et al., 2004). Additionally, research on eWOM ranges from seeking- and providing-behaviors of eWOM to (e.g., Fong & Burton, 2006; Lieberman & Goldstein, 2005; Nelson & Otnes, 2005), eWOM motivations (e.g., Goldsmith & Horowitz, 2006; Sun, Youn, Wu, & Kuntaraporn, 2006), eWOM types and format (e.g., Thorson & Rodgers, 2006), features of eWOM advertising (e.g., Bickar & Schindler, 2001; Evans et al., 2001; Okazaki, 2008), and consumers’ psychological responses to eWOM advertising (e.g., Benediktus & Andrews, 2006; Senecal & Nantel, 2004). Despite the growing number of studies on eWOM, it clear unclear what may be missing in the bigger eWOM picture, and what (if anything) should be examined further in research to offer a more comprehensive understanding of eWOM. In other words, the bulk of literature on eWOM needs to be organized under an integrated model, which can be tested and developed by researchers and practitioners for the purpose of maximizing this new form of advertising.

Since the Interactive Advertising Model (IAM) was proposed with features of interactive advertising in mind, and research has drawn upon several paradigms or schools of thoughts (Rodgers and Thorson, 2000), this chapter chose to apply the Interactive Advertising Model (IAM) to categorize existing literature on eWOM. The three paradigms used in the IAM are the functional school, the structural school, and the school of information processing. The functional school examines interactive advertising as a function of advertising effectiveness; the structural school investigates the structural features of eWOM; and, the information processing school deals with the underlying psychological processing of eWOM messages (Rodgers & Thorsom, 2000).

Using this theoretical framework, this chapter fulfills three major goals: 1) define and categorize eWOM based on different online platforms of CGC; 2) review and contrast existing research on eWOM; and, 3) extend the use of eWOM to health promotion by examining characteristics of eWOM in an online breast cancer bulletin board.

DEFINITION AND TYPES OF EWOM

CGC and eWOM are two closely related concepts. CGC is defined as Internet content that is generated and published by everyday consumers, not media or communications professionals. In turn, eWOM is characterized as “any positive or negative statements made by potential, actual, or former customers about a product or company, which is made available to a multitude of people and institutions via the Internet” (Hennig-Thurau et al., 2004, p. 39). From the definitions we can see that, eWOM is a specific type of CGC about products or companies.

Marketers intentionally initiate various types of eWOM, such as viral marketing, viral advertising, and online testimonials, to influence consumers’ attitudes and behaviors (Golan & Zaidner, 2008;
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